



GAIL FARBER, Director

**COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS**

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331

<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

March 11, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

21 March 11, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**AWARD OF A PUBLIC WORKS CONSTRUCTION CONTRACT
MALIBU CANYON ROAD AND KANAN DUME ROAD T1 TUNNELS
IN THE UNINCORPORATED COMMUNITIES OF
CORNELL AND MONTE NIDO
(SUPERVISORIAL DISTRICT 3)
(3 VOTES)**

SUBJECT

This action is to award a public works construction contract to Shimmick Construction Company, Inc., for Malibu Canyon Road and Kanan Dume Road T1 Tunnels and authorize the Director of Public Works or her designee to execute a construction contract for work in the unincorporated communities of Cornell and Monte Nido.

IT IS RECOMMENDED THAT THE BOARD:

1. Find the bid from Mladen Buntich Construction Company, Inc., to be nonresponsive because of an irregularity in the bid proposal.
2. Award and authorize the Director of Public Works or her designee to execute a construction contract and establish the effective date following receipt of approved Faithful Performance and Labor and Material Bonds and insurance certificate filed by the contractor for Project ID No. RDC0014879 – Malibu Canyon Road and Kanan Dume Road T1 Tunnels, for construction of steel liners and painting of existing liners, in the unincorporated communities of Cornell and Monte Nido, to Shimmick Construction Company, Inc., in the amount of \$5,076,614.38.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to obtain approval of the project from the Board to award this construction contract and authorize the Director of Public Works or her designee to execute the contract and establish the effective contract date following receipt of approved Faithful Performance and Labor and Material Bonds and insurance certificate filed by the contractor for this project.

On July 2, 2013, Agenda Item 29, the Board approved the project; adopted the plans and specifications; called for bids to be received on August 6, 2013; and instructed the Executive Officer of the Board of Supervisors to advertise the project.

Mladen Buntich Construction Company, Inc., (Buntich) submitted a bid, but the bid was found to be nonresponsive due to a bid irregularity. Buntich disputed that its bid contained an irregularity. On December 12, 2013, a hearing was held at the Department of Public Works to determine whether Buntich's bid should be considered for the low bid. The hearing officer determined that Buntich's bid was properly rejected as nonresponsive.

The enclosure includes the project description, the call for bids, bid opening date, a tabulation of bids, the Instructions to Bidders, the hearing officer's determination and financial information. The certified record of receipt of bids and the original bid proposal are also enclosed for this project.

The recommended award of the construction contract is necessary to execute a Board-directed and approved Department of Public Works project in support of operational missions. The Board's approval of the recommended contract award and the subsequent execution of the contract will ensure the timely completion of the project.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1) and Integrated Services Delivery (Goal 3). Awarding this contract will provide improved infrastructure to better serve the public and enhance the quality of life in the affected communities.

FISCAL IMPACT/FINANCING

This action will have no impact to the County General Fund.

The construction cost of \$5,076,614.38 is included in the Third Supervisorial District's Road Construction Program in the Fiscal Year 2013-14 Road Fund Budget.

The enclosure includes the amount of the recommended contract as compared with the engineer's estimate, the other bids received, and more detailed fiscal and financial information.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract agreement will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract was solicited on an open competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and the Board's requirements.

The award of this contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. This contract contains terms and conditions supporting the Board's ordinances, policies, and programs including, but not limited to: the County's Greater Avenues for Independence and General Relief Opportunities for Work

Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; the County's Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; Local Business Enterprise Preference Program, Los Angeles County Code, Chapter 2.204; and the standard Board directed clauses that provide for contract termination or renegotiation.

The State Public Contract Code requires the County to award construction contracts to a responsible contractor with the lowest responsive bid, which is defined as the firm that: (1) submits the bid with the lowest cost; (2) is deemed by the County to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the County to be a responsible bidder by exhibiting the capability, capacity, experience, trustworthiness, and financial wherewithal to perform the work required under the bid solicitation.

To ensure the contract is awarded to a responsible contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by each respective contractor was considered before making this recommendation to award.

The plans and specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with Public Works.

ENVIRONMENTAL DOCUMENTATION

On July 2, 2013, Agenda 29, the Board found this project to be categorically exempt from the provisions of the California Environmental Quality Act.

CONTRACTING PROCESS

The contract was solicited on an open-competitive basis in accordance with the provisions of the State Public Contract Code.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

To further increase contractor awareness of contracting opportunities with Public Works, this project was listed on the County website for upcoming bids. Public Works will review and approve the Faithful Performance and payment bonds filed by the contractor.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This construction contract will result in improved public works infrastructure in the communities where the work is scheduled.

CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Construction Division.

Respectfully submitted,

A handwritten signature in black ink that reads "Gail Farber". The signature is written in a cursive, flowing style.

GAIL FARBER

Director

GF:JTS:ma

Enclosures

c: Chief Executive Office (Rita Robinson)
County Counsel
Executive Office
Internal Services Department (Countywide
Contract Compliance)

AWARD OF CONTRACT
March 11, 2014

PROJECT ID NO. RDC0014879 – Malibu Canyon Road and Kanan Dume Road T1 Tunnels, (in the unincorporated communities of Cornell and Monte Nido), Supervisorial District 3.

TYPE OF WORK: Construction of steel liners and painting of existing liners, and the performance of other appurtenant work.

CALL FOR BIDS DATE: July 2, 2013 (Agenda Item 29)

BID OPENING DATE: August 6, 2013

BID SUMMARY:

Low	Shimmick Construction Company, Inc. 16481 Scientific Way Irvine, California 92618 (949) 333-1500	\$5,076,614.38
2	Minco Construction	\$5,581,061.00
3	Environmental Construction, Inc.	\$6,040,873.40
4	Los Angeles Engineering, Inc.	\$6,181,183.10

FINANCIAL INFORMATION:

Amount of estimate including the Consultant Services Agreement	\$5,491,104.00
Amount of Consultant Services Agreement	\$ 16,000.00
Amount of recommended contract**	\$5,060,614.38
Amount of recommended contract and Consultant Service Agreement below estimate	\$ 414,489.62

On July 2, 2013, Agenda Item 29, the Board authorized the Director of Public Works or her designee to award and execute a consultant services agreement for \$16,000. The amount of the recommended contract award of \$5,060,614.38 represents the amount of the lowest responsive bid with the cost of the consultant services agreement subtracted from it.

The amount of recommended contract and consultant service agreement is 7.5 percent below the estimate.

Mladen Buntich Construction Company, Inc., (Buntich) submitted a bid, but the bid was found to be nonresponsive due to a bid irregularity.

The project cost will be financed with State Proposition 1B Transportation Bond funds under the Local Streets and Road Improvement, Congestion Relief, and Traffic Safety Account of 2006. Funding for this project is included in the Third Supervisorial District's Road Construction Program in the Fiscal Year 2013-14 Road Fund Budget.

ENVIRONMENTAL IMPACT:

On July 2, 2013, Agenda Item 29, the Board found this project to be categorically exempt from the provisions of the California Environmental Quality Act.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 300 working days. It is estimated that the work will start in May 2014 and be completed in August 2015.

AMF:ma

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